

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB 02-0115-1000

ELECTIONS, UNIT: VC-50889


REPORT OF BOARD

FINDINGS AND ORDER

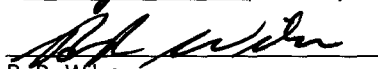
1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Orders previously issued by the Board for subject Docket on February 8, 2002 and recorded at Deed Book 540, Page 494 in the Office of the Clerk of the Circuit Court, Buchanan County, on February 14, 2002 and issued on April 16, 2002 and recorded at Deed Book 544, Page 803 in the Office of the Clerk of the Circuit Court, Buchanan County, Virginia on April 22, 2002 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act. Section 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated April 25, 2002, disclosing that it had mailed a correct copy of the Board's Order al all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated July 28, 2003 in accordance with Section 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.7C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made if any' (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election.
 - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199 or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. A Board Order dated December 23, 1992 made current Board escrow standards applicable to Subject Drilling Unit.

3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavit, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia PA 19109-1199, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order has been mailed to each person whose interest or claim is subject to escrow and whose address is known.
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 4th day of August, 2003 by a majority of the Virginia Gas and Oil Board.

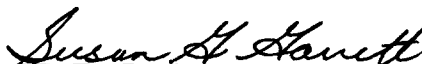

Chairman, Benny R. Wampler

DONE AND PERFORMED this 12th day of August, 2003 by Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)


Acknowledge on this 4th day of August, 2003, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires July 31, 2006

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 12th day of August, 2003, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff, Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires September 30, 2005

Order Recorded Under Code
Virginia Section 45.1-361...

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number VC-508899 VGOB Docket No. VGOB-02-0115-1000 in the North Grundy Magisterial District of Buchanan County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on April 16, 2002, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on April 22, 2002.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

Tract	Lessor	Net Revenue Interest	
1 Gas Estate	Gregory & Karen Poulos, H/W	.00476667	RI
	Jason Poulos, single	.00476667	RI
	Pamela Poulos	.00476666	RI
	Talmage G. Rogers, III & Tracey Rogers, H/W	.00357500	RI
	Shaun D. Rogers	.00357500	RI
	Kevin H. & Katherine Rogers, H/W	.00357500	RI
	Derek B. & Anne Rogers, H/W	.00357500	RI
OR			
Tract 1	Lon B. Rogers	.02860000	RI
Coal Estate	Bradshaw Trust No. 2		
Tract 2	Pittston Company	.01060000	RI
Gas Estate			

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

<u>Tract</u>	<u>Name</u>		<u>Cash Consideration</u>
1	Gregory & Karen Poulos	<u>Unleased</u>	1.9521 x \$5.00 = 9.77
	Jason Poulos, single	Unleased	1.9521 x \$5.00 = 9.77
	Pamela Poulos, single	Unleased	1.9521 x \$5.00 = 9.77
	Talmage G. Rogers, III & Tracey Rogers, H/W	Unleased	1.4641 x \$5.00 = 7.33
	Shaun D. & Nadine Davey Rogers, H/W	Unleased	1.4641 x \$5.00 = 7.33
	Kevin H. & Katherine Rogers, H/W	Unleased	1.4640 x \$5.00 = 7.33
	Derek B. & Anne Rogers, H/W	Unleased	1.4640 x \$5.00 = 7.33
	Plum Creek Timber Company	Unleased	4.3400 x \$5.00 = 21.70

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 28th day of July 2003.

[Signature]
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company, a corporation, on behalf of the corporation, this 28 day of July 2003.

My commission expires: 07/25/05

[Signature]
Notary

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 28th day of August, 20 03 10 33A M. The tax imposed by § 87.1-802 of the Code has been paid in the amount of \$ 575.
Deed Book No. 575 and Page No. 51. TESTE: James M. Bevins, Jr., Clerk
Returned to: Jim Mc TESTE: [Signature] Deputy Clerk

RECORDED

\$ 16
BU

BY: _____ (DC)

INSTRUMENT #030002967
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 15, 2003 AT 10:33AM
JAMES M. BEVINS, CLERK